

July 11, 2012

**ITEM NO. A1**

**APPROVAL OF THE REVISED FY2012 COMPREHENSIVE BUDGET**

**To the Honorable Board of Commissioners**

**RECOMMENDATION**

It is recommended that the Board of Commissioners approve and adopt the 2<sup>nd</sup> Quarter Revised FY2012 Comprehensive Budget.

**EXPLANATION**

The Chicago Housing Authority is required to submit for approval by the Board, a balanced annual Comprehensive Budget detailing each of the following: MTW Fund, Section 8 Non-MTW, HOPE VI and Other Funding Programs as well as the use for these funds.

The FY2012 budgeted expenditures have been revised from \$884,636,665 to \$890,839,874 resulting in a \$6,203,209 increase. The major changes, by funding source, are explained below:

- **MTW Fund.** The total revenues and associated expenditures decreased by \$915,177 for a fund total of \$829,827,214. The reduction primarily reflects the adjustment for the Housing Assistant Payment (HAP) Vouchers based on the actual 2012 award.
- **Section 8 Non-MTW Fund.** The total revenues and associated expenditures decreased by \$57,970 for a fund total of \$9,066,856. The reduction represents the adjustment to the Modernization Rehab Voucher program based on the actual 2012 award.
- **Hope VI.** The total revenues and associated expenditures increased by \$221,837 for a fund total of \$25,180,687. The increase represents additional funding for tenant services at various CHA developments.
- **Other Funding.** The total revenues and associated expenditures increased by \$6,954,519 for a fund total of \$26,765,117. The increase primarily reflects \$5,350,220 dollars awarded under the Department of Commerce and Economic Opportunity (DECO) grant for the LeClare Courts land acquisition as well as the Broadband Technology Opportunities Program (BTOP) grant of \$1,736,664 for the Smart Chicago Public Computer Center project.

The estimated sum of all revenues for fiscal year 2012 and the amount of Fund Balance available for appropriation is equal to the estimated sum of all expenditures to be made or incurred as well as all unpaid liabilities for fiscal year 2012. Based upon the foregoing, it is in the best interest of the Chicago Housing Authority to adopt the Revised 2012 Comprehensive Budget.

**RESOLUTION NO. 2012-CHA-53**

**WHEREAS,** the Board of Commissioners has reviewed the Board letter dated July 11, 2012, entitled "APPROVAL OF THE REVISED 2012 COMPREHENSIVE BUDGET";

**THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY**

**THAT,** the Board of Commissioners, hereby approves the attached budget amendments, "THE FY2012 COMPREHENSIVE BUDGET AMENDMENT #2", upon the recommendation of staff that finds with respect to said budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations; and
3. that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Amended and Restated Moving To Work Demonstration Agreement of the Chicago Housing Authority with the U.S. Department of Housing and Urban Development.

**THAT,** the Chief Executive Officer and Chief Financial Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

